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SUBJECT: INTERNET SLOWLY DEVELOPING IN BURMA

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11. (SBU) Summary. Despite the GOB's continued efforts to limit access to the outside world via the internet, the Burmese are creatively finding ways to circumvent regime bans. Users, particularly the younger generation, employ proxy servers or web tunnel programs to access block programs, such as free email providers, chat rooms, and VOIP. Internet access is widely available in large cities, and entrepreneurial Burmese are expanding access to rural areas with new cyber cafes. Despite prohibitive internet costs, internet use in the past seven years has increased 1500 percent, from 2,000 users in 2000 to more than 300,000 today. Although the GOB plans to increase internet penetration throughout the country from 0.3 to 0.5 percent by the end of 2007 by granting licenses for new cyber cafes, their efforts to obstruct access to sensitive websites will likely continue. End Summary.

Internet Connectivity on the Rise

12. (SBU) Despite efforts by the GOB to limit access to international news and other websites, internet services are readily available in Burma. Burma has two national internet service providers (ISPs), one run by the Ministry of Post and Telecommunications (MPT) and the other controlled by semi-private Myanmar Teleport. Myanmar Teleport was previously known as Bagan Cybertech, which was owned by former Prime Minister Khin Nyunt's son. After Khin Nyunt was ousted in 2004, the company was sold and renamed. Burmese internet users have five ways to connect to the

internet: dial-up, three types of broadband connections (ADSL, IPSTAR and wireless local loop) and VSAT (Very Small Aperture Terminal) satellite.

13. (SBU) The MPT records list approximately 40,000 internet subscribers throughout the country, although officials estimate that each subscription services an average of eight people. According to unpublished official figures, internet penetration is estimated at 0.3 percent. MPT reports that internet use has increased 1500 percent since 2000, from 2,000 to more than 300,000 users. Even so, Burma still has one of the world's lowest per capita rates of internet use.

14. (SBU) Most subscribers opt for dial-up services, although connections speeds are extremely unreliable and slow (less than 24 kilobytes per second) due to poor quality phone lines. Approximately 2,000 consumers, primarily businesses in Rangoon and Mandalay, use ADSL, which has a speed of anywhere between 64kps to 512kps. Outside of the larger cities, rural communities are forced to use the more than 1,000 IPSTAR terminals (which use bandwidth acquired from Shin Satellite, owned by former Thai Prime Minister Taksin) to access the internet. Wireless local loop, which in 2003 had approximately 2,000 subscribers, is now virtually obsolete in Burma, and the cost of VSAT is too prohibitive for most Burmese.

Avoid High Costs, Use Cyber Cafes

15. (SBU) Due to the high cost of internet subscriptions (see chart below) and the lack of private computer ownership, the majority of Burmese internet users access the internet from cyber cafes. According to Wanna More, Executive Director of Myanma Computer Company, there are more than 150 cyber cafes throughout the country, with new ones opening weekly. Most cyber cafes have between 10-30 computers available, and charge an average of 1500 kyat (USD 1.15) per hour. In addition to cyber cafes, internet is available at many

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hotels, computer training centers, some universities. The American Center and the British Council are also popular free surfing sites.

Cost of Internet Services in 2007, Burma
In U.S. Dollars*

Service	Start Up Cost	Monthly Cost
Dial Up	40.00-50.00	25.00**
Broadband		
ADSL	1000.00	b/t 30-125***
IPSTAR	2000.00	1.00 per kilobyte
Wireless Local Loop	1500.00	N/A
VSAT	2000.00+	N/A

*calculated at 1290 kyat/\$1

**cost of 60 hours per month. 10 hours/month costs UD6.50

***ADSL: USD 30 for 128 MB; USD 70 for 256 MB; USD 125 for 512 MB

Source: Ministry of Post and Telecommunications

16. (SBU) Myanmar InfoTech, a private consortium of 50 local companies supported by the MTC, issues cyber cafe licenses on behalf of the GOB. Although these licenses are relatively easy to obtain, they require that license holders register users before allowing them internet access and ask cafe owners to monitor screen activity.

Khun Oo informed us that the GOB is desperate to improve internet penetration throughout the country, and hopes that by granting new licenses, it can increase the overall penetration rate to 0.5 percent by the end of the year.

17. (SBU) Despite the expense of a cyber cafe for ordinary Burmese, demand, particularly among the younger generation, has increased. These users are primarily interested in the internet for email and chatting purposes. More and more young people, Khun Oo noted, are trying to use voice over internet protocol (VOIP) to contact family

and friends outside of Burma. Internet users at some universities and other public access centers employ computers for academic research.

Circumventing Internet Bans

¶18. (SBU) The Burmese government has banned access to free email sites, such as Yahoo! and Hotmail and some VOIP services, in order to control access to the outside world. In July, the GOB banned the use of another VOIP program, Mediaring Talk. To date, the GOB has yet to ban popular VOIP program Gtalk, presumably because it is not aware of the program's existence. VOIP services allow people to make inexpensive international phone calls over the internet, thereby preventing the GOB to collect much needed revenue from overpriced international phone calls. Additionally, the GOB feels threatened by VOIP programs, as it is unable to monitor phone conversations. Wanna More commented that the GOB, as it learns more about other VOIP programs, will likely restrict access to these services in the future.

¶19. (SBU) The government uses programs such as Dan's Guardian and Fortinet's Fortiguard to block specific internet sites. Wanna More told us that the GOB utilizes monitoring software that checks emails for key words/phrases and large attachments. Many of our NGO and business contacts confirmed that some email is delivered instantly, but most messages are delayed up to 24 hours, presumably because the government is scrutinizing the messages.

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¶10. (SBU) In order to circumvent these prohibitions, the majority of Burmese cyber cafes utilize proxy servers or web tunnel programs to access restricted sites. Burmese consumers complain that while these programs work, they significantly reduce the speed of the internet. Wanna More explained that MPT and Myanmar Teleport continually add foreign proxy and tunnel servers to the domain blacklist, but that they are unable to block all programs. Both MPT and Myanmar Teleport want to make a profit from internet usage, he rationalized, and to uphold all bans would significantly cut into profits. Instead, he opined, these organizations "restrict internet access to the minimum extent possible."

Comment

¶11. (SBU) Although the Burmese government views the internet as a pulpit for the Burmese dissidents abroad, there appears to be a healthy, albeit small, internet market in Burma. The GOB finds itself in a precarious position - it wants to show the world that it is encouraging internet growth, but at the same time, it does not want to lose control over the internet. The GOB may be fighting a losing battle, as even government entities are condoning the circumvention of internet bans in order to make a profit. The number of computer savvy Burmese increases daily, and they will continue to try to evade the government's efforts to obstruct access to websites and programs that provide a link to the outside world. There is a demand for the truth in Burma - and the internet may be one of the few tools to provide that information to those who will use it.

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